

PRESS RELEASE

PLANTS LABORATORY

Plants Laboratory, Inc.

November 25th, 2021

**Capital and Business Alliance
with Tohoku Electric Power Co., Inc.**

**~Contributing to the realization of a smart society by developing
"sustainable agriculture" from Tohoku~**

Plants Laboratory, Inc. (Chuo-ku, Tokyo; President: Atsuyuki Yukawa; hereinafter referred to as "the Company") has signed a capital and business alliance agreement with Tohoku Electric Power Company Co., Inc. (Sendai City, Miyagi Prefecture; President: Kojiro Higuchi; hereinafter referred to as "Tohoku Electric Power") to support the realization of a smart society by developing "sustainable agriculture" from Tohoku.

We will work with Tohoku Electric Power, which possesses superior technology and know-how in the energy field, to provide a stable supply of electricity and environmentally friendly natural energy for use in our fully artificially-lit indoor farm, and to provide even more added value to our customers.

In recent years, issues related to the sustainability of agriculture have become apparent in the agricultural industry, such as the decreasing and aging number of agricultural workers, the increasing scale of damage caused by intensifying natural disasters, and the effects of climate change (unstable production volume and quality). Against this backdrop, in 2017, we established the Fukushima Innovation Center and started operations in the Tohoku region, collaborating with farmers in the Fukushima prefecture, and have begun to work on building sustainable "environment-friendly agriculture" and "people-friendly agriculture" in the region.

In 2019, we started collaborating with Tohoku Electric Power by introducing their EMS, "exEMS", to our energy-saving indoor farm system, "PUTFARM". By combining Tohoku Electric Power's energy-related technology and knowledge with our PUTFARM's strengths, such as its compact size, low cost, ability to be installed anywhere, and stable cultivation that

is not affected by weather or natural disasters, we will develop a new solution system called the "energy-creating and saving indoor farm system" (hereinafter referred to as the "System"). The System will be more environment-friendly and farmer-friendly, and will enable the stable cultivation of crops throughout the year.

Together with Tohoku Electric Power, we will confirm the usefulness of this System and propose the production and sale of vegetables using this System to supermarkets and other retail businesses (Concept for production and consumption in the same store) in the six Tohoku prefectures and Niigata Prefecture. In addition, we will cooperate with local farmers who have introduced this System to expand the sales channels of their wholesalers in order to expand cooperation. In this way, local farmers, retailers, Tohoku Electric Power, and our company will build a supply chain that unites the region and actively work to realize "sustainable agriculture". This is a unique and new approach that is unparalleled in other areas, and by developing it as a Tohoku model, we will contribute to the realization of a smart society through sustainable agriculture.

The first project in the Tohoku region to achieve zero CO₂ emissions using this System is scheduled to ship the produced vegetables next spring, and we will expand the introduction of this System in other Tohoku and Niigata regions. In addition, Plants Laboratory will be looking for regional partners throughout Japan.

If you have any questions about this matter, please contact us at the following e-mail address; info@plantslaboratory.com